

# 2016 PERFORMANCE REPORT

## Small Business Incubator



Department of Economic Development

# Table of Contents

EXECUTIVE SUMMARY .....	3
GEOGRAPHICAL DISTRIBUTION.....	9
MISSOURI CERTIFIED INCUBATORS CONTACT INFORMATION LIST .....	10-11
MISSOURI INACTIVE INCUBATORS INFORMATION LIST.....	12
EXHIBIT 1 - Performance Statistics - FY 2016.....	13
EXHIBIT 2 - Annual Tax Credits Authorized per Incubator in Calendar Years.....	14
EXHIBIT 3 - Inactive Incubators - Annual Tax Credits Authorized in Calendar Years.....	14
EXHIBIT 4 - Annual Tax Credits Issued per Incubator in Calendar Years.....	15
EXHIBIT 5 - Inactive Incubators - Annual Tax Credits Issued in Calendar Years.....	15

# Executive Summary

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## STATUTORY SUMMARY

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620.495, RSMo, as amended

*PURPOSE: The purpose of this program is to generate private funds to be used to establish a “protective business environment” (incubator) in which a number of small businesses can collectively operate, fostering growth and development during a business start-up period.*

# Program Description

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***“An incubator is a building, which can be divided into smaller units of space to be leased by small businesses.”***

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An incubator is also a program without infrastructure in which participants avail themselves of business development services to assist in the growth of their start-up businesses.

In addition to the space, incubators provide business development services for use by the tenants and participants. These services shall include, but are not limited to, financial consulting assistance, management and marketing assistance, business education, and physical services such as personal computers, copier, facsimile, conference rooms, labs, etc. Because of the shared services and efficient use of the available space, costs are usually much less than for a small business operating independently.

The incubator is not intended to be a permanent home for the new firm. After a period determined by the incubator's policy, a tenant will move from the incubator, thereby making room available in the incubator for a new start-up firm.

The Missouri Department of Economic Development approves (certifies) or denies proposals for small business incubators based on the ability of the incubator to meet statutory requirements of the program; the economic impact of the incubator on the community, conformance with area-wide and local economic development plans; and location of the incubator, in order to encourage geographic distribution of incubators across the state. Certified

incubators may receive contributions from taxpayers. The taxpayers in turn may receive tax credits in the amount of 50% of the contributions. The tax credits can be carried forward for five years and also be sold or transferred. The overall maximum amount of tax credits that can be authorized in any one calendar year is \$500,000.

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## Incubators

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**Joseph Newman Business and  
Technology Innovation Center -  
Joplin**



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**Independence Regional  
Ennovation Center –  
Independence**



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**Christopher “Kit” Bond  
Incubator –  
St. Joseph**



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**BEGIN New Venture  
Center – St. Louis**



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**Ozarks Small Business  
Incubator –  
West Plains**

# Incubators



**St Louis Enterprise  
Center – Wellston**



**Small Business Synergy  
Center – St. Charles**



**Center for Emerging  
Technologies - St. Louis**



**Life Sciences Business  
Incubation Center-  
Columbia**



**Southeast Missouri  
Innovation Center (SMIC)  
– Cape Girardeau**

# Economic Impact

***“Tax credits issued through the Small Business Incubator Program from the program’s inception through November 30, 2016, total approximately \$3.6 million, which attracted contributions totaling approximately \$7.2 million.”***

## Program Statistics

***“Most tenants are originally from Missouri.”***

These tenants chose the Small Business Incubators due to their unique locations and affiliations with major research institutions, hospitals and universities located in the state. Most graduates decided to stay in Missouri because of the founders’ and workforce’s residency. However, the graduates that relocated to other states identified the reasons for such decision as inability to raise additional funding or acquisition by another company. The information regarding the number of jobs, payroll and investment of graduate companies

is not complete because most incubators do not track such data and thus are unable to provide it. Fourteen out of the sixteen active incubators reported.

Annually a Budget of Revenues and Expenditures application is submitted by each Small Business Incubator

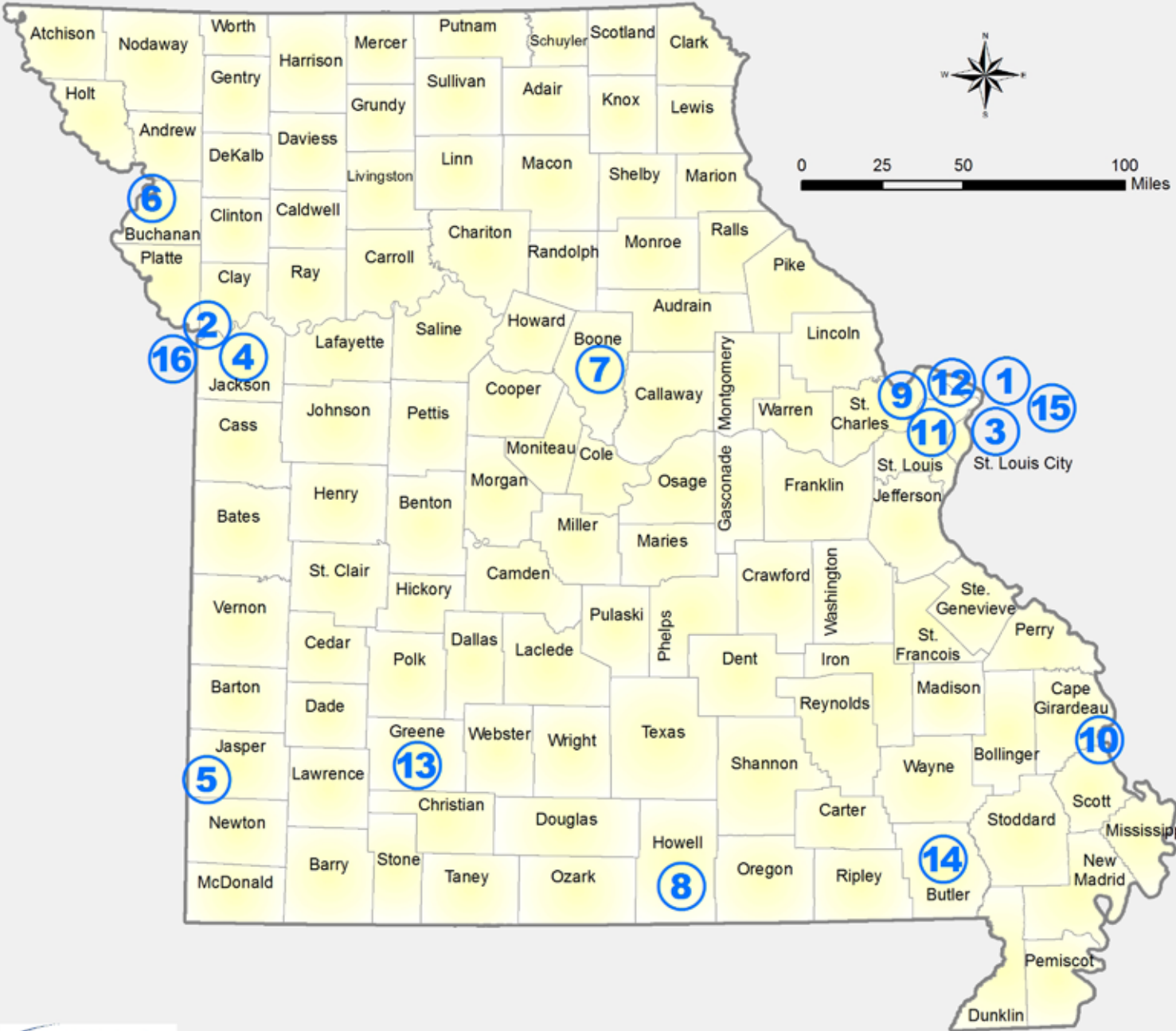
desiring to request Tax credits for the upcoming year. This report is due by the end of January, and the tax credits are then awarded based on the request of Capital Expenditures and Non- Operating Expenditures listed in this report. The following is a listing of the Incubators that were awarded tax credits, listed by year of approval.

**Table 1 Performance Statistics – through 6/30/2016** (See Exhibit 1 for detail by incubator)

<b>Data Description</b>	<b>Total for all Incubators</b>
# Incubators Created	23
#Incubators Inactive/Closed	7
#Incubators Active	16
#Incubators Under construction	0
Average occupancy rate 2015	84%
Focus	Bio-Med., R&D, Mfg, IT Plant & Life Science, Business Development Services, Product Development Mixed
State origin current/previous tenants	MO, NY, VA/CA, PA/NJ/FL, IL
# Tenants	263
# Tenants/Incubator jobs	1341full time/16 part time
\$ Tenants/Incubator payroll	\$12,126,270
\$ Tenants/incubator spending	N/A
Tenants average length in years	4.12 years
# Failed	73
Failed average length in years	1.20years
# Missouri graduates	272
# Missouri graduates jobs	1783
# Missouri graduates still in business	41
Missouri graduates average length in years	1.98 years
\$ Missouri graduates payroll	\$2,050,000
\$ Missouri graduates spending	N/A
# Other graduates	15
Other graduates average length in years	2.34 years
States moved to	CA, CO, NJ, IL, KY, SC, TX, WA, WI, NY, NC, FL



# Missouri Certified Active Incubators



## Missouri Certified Incubators Contact Information

# Active Incubators List

**1. BEGIN New Venture Center**

Sponsor: St. Patrick's Center  
 Certified in 2010  
 Contact person: S. Wildman  
 800 N. Tucker Blvd  
 St. Louis, MO 63101  
 Phone: (314) 802-0995  
 E-mail: swildman@stpatrikcenter.org

**2. Black Economic Union/Economic Growth Group (BEU)**

Sponsor: Black Economic Union/Economic Growth Group  
 Certified in 1997  
 Contact person: Marvin Lyman  
 1601 E. 18th Suite 300  
 Kansas City, MO 64108  
 Phone: (816) 474-1080  
 Fax: (816) 368-8829  
 E-mail: marvin@beukc.org

**3. Center for Emerging Technologies (CET)**

Sponsor: Center for Emerging Technologies  
 Certified in 1983  
 Contact person: Christy Maxfield  
 4041 Forest Park Avenue  
 St. Louis, MO 63108-3213  
 Phone: (314) 615-6900  
 Fax: (314) 615-6901  
 E-mail: cmaxfield@cortexstl.com  
 Website: www.emergingtech.org

**4. Independence Regional Ennovation Center**

Sponsor: Independence Council for Economic Development  
 Certified in 2010  
 Contact person: Lee Langrock  
 201 N. Forest Ave #130  
 Independence, MO 64050-3436  
 Phone: (816) (816) 463-3532  
 E-mail: lee@inedc.biz  
 Website: http://www.ennovationcenter.com/

**5. Joseph Newman Business and Technology Innovation Center (JNB TIC)**

Sponsor: Joplin Area Chamber of Commerce Foundation  
 Certified in 2004  
 Contact person: Brian Kelly  
 320 E. 4th  
 St. Joplin, MO 64801  
 Phone: (417) 624-4150  
 Fax: (417) 624-4303  
 E-mail: brian@joplincc.com

**6. Innovation Stockyard ( Kit Bond Science and Technology Incubator)**

Sponsor: Missouri Western State University  
 Certified in 2010  
 Contact person: Sara Hagen  
 4221 Mitchell Avenue  
 St. Joseph, MO 64507-2266  
 Phone: (816) 749-4014  
 Fax: (816) 749-4011  
 E-mail: sara.hagen@innovationstockyard.com

**7. Life Sciences Business Incubation Center (LSBIC)**

**Sponsor : Missouri Innovation Center**  
 Certified in 2004  
 Contact person: Quinten Messbarger  
 1601 S. Providence  
 Columbia, MO 65211  
 Phone: (573) 884-0492 Fax (573) 884-3600  
 E-mail: messbargerq@missouri.edu  
 Website: www.muincubator.com

**8. Ozarks Small Business Incubator)**

Sponsor: Downtown West Plains, Inc.  
 Certified in 2010  
 Contact person: Heather Fisher  
 408 Washington Ave.  
 P.O. Box 1194  
 West Plains, MO 65775  
 Phone: (417) 257-2563  
 Fax: (417) 256-8711  
 E-mail: hlands@email.com  
 Website: www.ozsbi.com

**9. Small Business Synergy Center (SBSC)**

Certified in 1992  
 Sponsor: Small Business Synergy Center  
 Contact person: Craig Frahm  
 5988 Mid Rivers Mall Drive  
 St. Charles, MO 63304  
 Phone: (636) 441-6880  
 E-mail: cfrahm@edcstcharlescounty.com  
 Website: www.stcc-edc.com

**10. Southeast Missouri Innovation Center (SMIC)**

Sponsor: Missouri Research Corporation  
 Certified in 2005  
 Contact: Crystal Jones  
 One University Plaza, MS 3300  
 Cape Girardeau, MO 63701  
 Phone: (573) 651-5956  
 E-mail: cgjones@semo.edu  
 Website: www.innovationmic.org

## Missouri Certified Incubators Contact Information

## Active Incubators List (Continued)

**11. St. Louis VentureWorks-Wellston**

Sponsor: St. Louis County Economic Council  
 Certified in 1990  
 6439 Plymouth Ave.  
 Wellston, MO 63133  
 Phone: (314) 615-3958  
 Fax: (314) 615-7666  
 E-mail: bnoonan@stlpartnership.com  
 Website: www.slcec.com

**12. Direct Impact Business Education Center**

Sponsor: Direct Impact Business Center  
 Certified in 2012  
 Contact Person: Tracey Jeffries  
 10263 St. Charles Rock Road  
 St. Ann, MO 63074  
 Phone: (314)690-1330  
 E-mail: info@directimpactstl.org

**13. The eFactory**

Sponsor: Missouri State University  
 Certified in 2013  
 Contact Person: Allen Kunkel  
 405 N. Jefferson Ave  
 Springfield, MO 65806-1110  
 Phone: (417) 836-3020  
 Fax: (417) 836-8810  
 E-mail: AllenKunkel@missouristate.edu

**14. Ozark Foothills Development Association (OZARK)**

Sponsor: Ozark Foothills Regional Planning Commission  
 Certified in 1990  
 Contact person: Felicity Brady  
 3019 Fair Street  
 Poplar Bluff, MO 63901  
 Phone: (573) 785-6402  
 Fax: (573) 686-5467  
 E-mail: felicity.ofrpc@gmail.com  
 Website: www.ofrpc.com/incubator.html

**15. Saint Louis Fashion Incubator**

Sponsor: Saint Louis Fashion Fund  
 Certified in 2016  
 Contact Person: Kathleen V. Rogers  
 1533 Washington Avenue  
 St. Louis, MO 63103  
 Phone: (314) 324-3241  
 Fax: N/A  
 E-mail: kathleenvrogers@mac.com

**16. Bunker Labs-Kansas City**

Sponsor: The Bunker KC NFP Inc.  
 Certified in 2016  
 Contact Person: Sean R. McIntosh  
 1100 Main St.  
 Kansas City, MO 64108  
 Phone: (785) 764-9904  
 Fax: N/A  
 E-mail: sean.mcintosh@bunkerlabs.org

## Missouri Certified Incubators Contact Information

## Inactive with the Incubator Program

**Missouri Innovation Center (MIC)**

Sponsor: Missouri Innovation Center

Certified in 1995

Contact: Kim March

410 S. 6th St., 214 Engineering Bldg. North

Columbia, MO 65201

Phone: (573) 884-0496

Fax: (573) 884-3600

E-mail: marchk@missouri.edu

Website:

\*Incubator is now Life Sciences Business Incubation Center

\* MIC is still active as an Innovation center.

**Missouri IncuTech Foundation (MITF)**

(DBA Missouri Enterprise Business Assistance Center)

Sponsor: Missouri Enterprise

Certified in 1991

Contact Person: Rick Prugh

800 University Drive

Rolla, MO 65401-2157

Phone: (573) 341-0117

Fax: (573) 341-0135

E-mail: rprugh@missourienterprise.org

Website: www.missourienterprise.org

Incubator decertified August 2007

Incubator is still active

**Nidus Center for Scientific Enterprise (NIDUS)**

Sponsor: Monsanto Corporation

Certified in 2003

Contact person: Susan Pais

893 North Warson Road

St. Louis, MO 63141

Phone: (314) 812-8001

Fax: (314) 812-8080

E-mail: susan.e.pais@niduscenter.com

Website: www.niduscenter.com

**Technology Entrepreneur Center (TEC)**

Sponsor: Technology Entrepreneur Center

Certified in 2003

Contact person: Willem Bakker

210 N. Tucker, Suite 600

St. Louis, MO 63101

Phone: (314) 436-3500

Fax: (314) 333-0409

E-mail: fchmelir@tecstl.org

Website: www.tecstl.org

**Thomas Hill Enterprise Center (THEC)**

Certified in 1997

Sponsor: Thomas Hill Enterprise Center

Macon, MO

**Avvio Center**

Certified in 2008

1600 Swift

North Kansas City, MO 64116

Contact Person: Joe Mullins

Phone: (816)210-5305

E-mail: Joe@startpath.org

**Arts Incubator – Kansas City**

Sponsor: Arts Incubator – Kansas City

Certified in 2010

Contact person: Jeff Becker

115 W. 18th Street

Kansas City, MO 64108-1220

Phone: (816) 421-2292

Fax: (816) 421-2293

E-mail: jbeckers@artsincubatorkc.org

Website: www.artsincubatorkc.org

Exhibit 1 Performance Statistics - FY 2016

Incubators		BEU	The Bunker KC NFP Inc	Center for Emerging Technologies (CET)	Independence Regional Innovation Center	Joseph Newman Business and Technology Innovation Center (JNB TIC)	Kit Bond Incubator/Stockyard Innovation	Life Sciences Business Incubator (LSBIC)	Ozark Foothills Development Association	Ozarks Small Business Incubator	Small Business Synergy Center (SBSC)	Southeast Missouri Innovation Center (SMIC)	St. Louis Fashion Incubator	STL VentureWorks/ St. Louis Enterprise Center (SLEEC) (Wellston)	The eFactory	Averages	TOTAL
Data Description		1997	2016	1983	2010	2004	2010	2004	1990	2010	1992	2005	2015	1990	2013		
Year Certified																	
Occupancy Rate		0%	N/A	100%	95%	90%	72%	100%	100%	73%	100%	95%	100%	N/A	70%	90%	
Focus		Business Development Services	Business Development Services	Business Development Services	Product Mfg. Development; R&D; Bus Dev. Svcs	IT, Bio-Tech, Mixed use	Animal Health, Life Sciences	R & D	Mfg. Assembly, Distribution/Warehouse	Bus. Dev Svcs.	Mixed	Mfg. R&D, Tech	Business Development Services	N/A	Mixed		
Number of Units		12	6	85	23	13	6	39	6	16	74	8	1	N/A	32		
# Tenants		0	8	57	70	15	5	28	4	7	30	6	6	8	19		263
# Tenants/Incubator Jobs FT		0	8	414	108	65	51	88	N/A	104	326	41	0	9	127		1341
# Tenants/Incubator Jobs PT		0	10	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A	N/A	0	6	0		16
\$ Tenants/Incubator Payroll		\$	N/A	N/A	\$ 2,484,000	N/A	N/A	\$ 3,720,000	N/A	\$ 301,050	N/A	N/A	\$	\$ 1,176,220	\$ 4,445,000		\$12,126,270.00
\$ Tenants/Incubator Spending		\$	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$	N/A	N/A		0
Tenants Ave. Length, yrs.		0	1.25	N/A	N/A	5	7	3	7.5	1.8	6	N/A	N/A	\$	4	2	4.12
# Failed		0	0	N/A	17	N/A	0	5	7	1	42	0	0	0	1		73
Failed Ave.Length, yrs.		0	0	N/A	N/A	N/A	0	2	1	1	1	0	0	N/A	1		1.20
# MO Grads		0	0	6	12	10	0	10	14	1	218	1	0	N/A	0		272
# MO Grad Jobs		0	0	0	N/A	351	0	28	N/A	1	1402	1	0	0	0		1783
# MO Grads still in Business		0	0	N/A	14	10	N/A	10	N/A	6	N/A	1	0	0	0		41
MO Grads Ave. Length, yrs.		0	0	N/A	N/A	N/A	2.5	2	2	1	2.4	N/A	N/A	0	0		1.98
\$ MO Grad Payroll		\$	\$	N/A	\$ 360,000	N/A	N/A	\$ 1,690,000	N/A	N/A	N/A	N/A	\$	\$	\$		\$2,050,000.00
\$ MO Grad Spending		\$	\$	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$	\$	\$		0
# Other Grads		0	0	N/A	N/A	N/A	N/A	6	N/A	N/A	9	N/A	N/A	0	0		15
Other Grads Ave. Length, yrs.		0	0	N/A	N/A	N/A	N/A	2	N/A	N/A	2.67	N/A	N/A	0	0		2.34

N/A = data not available

Exhibit 2 "Annual Tax Credits Authorized per Incubator in Calendar Years"

Active Incubators

Incubators Years	BEGIN	Black Economic Union (BEU)	Center for Emerging Technologies (CET)	Direct Impact Business Education Center	Independence Regional Innovation Center	Joseph Newman Technology Innovation Center	Innovation Stockyard/Kit Bond Incubator	Life Sciences Business Incubator	Ozark Foothills Development Association	Ozarks Small Business Incubator	Small Business Synergy Center (SBOC)	Southeast Missouri Innovation Center (SMIC)	St. Louis Fashio n Incubator	St. Louis Enterprise Center (SLEEC)	The eFactory	TOTAL
Year Certified	2010	1997	1998	2012	2010	2004	2010	2004	1990	2010	1992	2005	2015	1990	2013	
Calendar Year 1990									\$ 2,500.00							\$ 2,500.00
Calendar Year 1991																\$ -
Calendar Year 1992																\$ -
Calendar Year 1993											\$ 207,875.00			\$ 312,500.00		\$ 520,375.00
Calendar Year 1994																\$ -
Calendar Year 1995																\$ -
Calendar Year 1996																\$ -
Calendar Year 1997		\$ 87,500.00														\$ 87,500.00
Calendar Year 1998																\$ -
Calendar Year 1999			\$ 100,000.00													\$ -
Calendar Year 2000			\$ 150,000.00													\$ 100,000.00
Calendar Year 2001			\$ 81,351.77													\$ 150,000.00
Calendar Year 2002			\$ 172,500.00											\$ 50,000.00		\$ 131,351.77
Calendar Year 2003			\$ 125,000.00					\$ 175,000.00								\$ 172,500.00
Calendar Year 2004			\$ 77,000.00			\$ 100,000.00		\$ 121,421.00								\$ 400,000.00
Calendar Year 2005			\$ 13,950.00			\$ 71,408.00		\$ 251,500.00				\$ 121,500.00				\$ 391,329.00
Calendar Year 2006			\$ 100,000.00			\$ 47,353.70		\$ 55,000.00			\$ 13,200.00	\$ 16,750.00				\$ 344,753.70
Calendar Year 2007			\$ 85,350.00			\$ 29,956.00		\$ 100,000.00				\$ 19,704.00				\$ 204,660.00
Calendar Year 2008			\$ 125,000.00			\$ 64,650.00		\$ 100,000.00								\$ 250,000.00
2nd Round 2008			\$ 255,000.00													\$ 125,000.00
Calendar Year 2009			\$ 87,500.00			\$ 22,574.00		\$ 75,000.00								\$ 352,574.00
Calendar Year 2010	\$ 60,000.00		\$ 91,135.00			\$ 47,500.00	\$ 87,500.00	\$ 57,500.00		\$ 40,000.00						\$ 380,000.00
Calendar Year 2011	\$ 17,500.00		\$ 110,372.00	\$ 42,500.00		\$ 20,000.00		\$ 93,365.00		\$ 60,000.00						\$ 282,000.00
Calendar Year 2012			\$ 106,216.00	\$ 55,232.00		\$ 38,000.00		\$ 122,148.00		\$ 70,000.00						\$ 360,872.00
Calendar Year 2013			\$ 71,515.00	\$ 71,114.00	\$ 16,879.00	\$ 38,233.00		\$ 76,466.00	\$ 114,693.00	\$ 34,520.00			\$ 155,330.00			\$ 500,000.00
Calendar Year 2014			\$ 91,539.00	\$ 20,316.00		\$ 31,795.00	\$ 79,819.00	\$ 95,385.00	\$ 57,395.00	\$ 52,000.00			\$ 95,110.00			\$ 500,000.00
Calendar Year 2015			\$ 67,000.00	\$ 20,000.00	\$ 11,000.00	\$ 23,000.00	\$ 50,000.00	\$ 95,000.00	\$ 57,395.00	\$ 50,000.00			\$ 71,750.00			\$ 500,000.00
Calendar Year 2016	\$ 77,500.00	\$ 87,500.00	\$ 2,010,428.77	\$ 209,162.00	\$ 27,879.00	\$ 563,023.70	\$ 217,319.00	\$ 1,419,785.00	\$ 231,595.00	\$ 322,504.00	\$ 221,075.00	\$ 157,954.00	\$ 50,000.00	\$ 362,500.00	\$ 397,190.00	\$ 6,355,415.47
TOTAL																

Exhibit 3" Annual Tax Credits Authorized per Incubator in Calendar Years"

Inactive Incubators

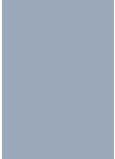
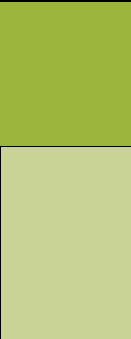
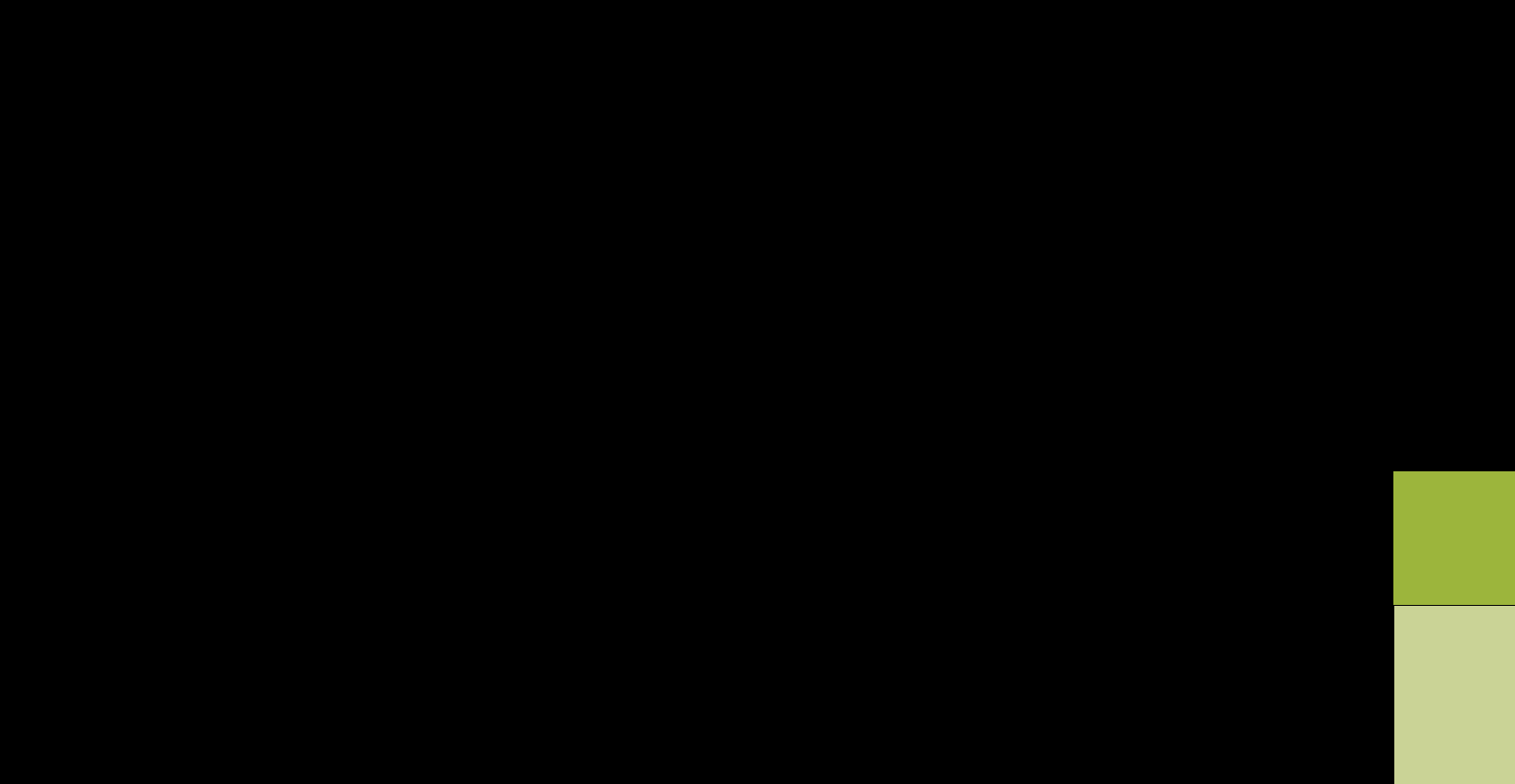
Incubators Years	Arts Incubator	Awilo Center	Eastern Jackson County Business Incubator (EJCBI)	Missouri Innovation Center (MIC)	Missouri IncuTech Foundation (MITF)	Nidus Center for Scientific Enterprise (INDUS)	Technology Entrepreneur Center (TEC)	Thomas Hill Enterprise Center (THEC)	TOTAL
Year Certified	2010	2008		1995	1991	2003	2003	1997	
Calendar Year 1990									\$ -
Calendar Year 1991									\$ -
Calendar Year 1992					\$ 319,858.24				\$ 319,858.24
Calendar Year 1993									\$ -
Calendar Year 1994									\$ -
Calendar Year 1995				\$ 17,899.00					\$ 17,899.00
Calendar Year 1996									\$ -
Calendar Year 1997									\$ 87,500.00
Calendar Year 1998				\$ 17,101.00				\$ 101,950.00	\$ 119,051.00
Calendar Year 1999									\$ -
Calendar Year 2000									\$ -
Calendar Year 2001									\$ -
Calendar Year 2002									\$ -
Calendar Year 2003						\$ 36,512.00	\$ 100,000.00		\$ 136,512.00
Calendar Year 2004							\$ 100,000.00		\$ 100,000.00
Calendar Year 2005							\$ 108,671.00		\$ 108,671.00
Calendar Year 2006							\$ 110,850.00		\$ 110,850.00
Calendar Year 2007							\$ 175,000.00		\$ 175,000.00
Calendar Year 2008		\$ 150,000.00					\$ 100,000.00		\$ 250,000.00
2nd Round 2008		\$ (150,000.00)					\$ (100,000.00)		\$ (250,000.00)
Calendar Year 2009									\$ -
Calendar Year 2010	\$ 60,000.00								\$ 60,000.00
Calendar Year 2011	\$ 200,000.00								\$ 200,000.00
Adjustment	\$ (200,000.00)								\$ (200,000.00)
Calendar Year 2012									\$ -
Calendar Year 2013									\$ -
Calendar Year 2014									\$ -
Calendar Year 2015									\$ -
Calendar Year 2016	\$ 60,000.00	\$ -	\$ -	\$ 35,000.00	\$ 319,858.24	\$ 36,512.00	\$ 694,521.00	\$ 101,950.00	\$ 1,235,341.24
TOTAL									

## Active Incubators

**Exhibit 5 "Annual Tax Credits Issued per Incubator in Calendar Years"**

## Inactive Incubators

Calendar Year is defined as 12/1/2014 through 11/30/2015



Department of Economic Development  
Business and Community Services  
301 West High Street  
Jefferson City, Mo 65101